

**Maine Revised Statutes**  
**Title 24-A: MAINE INSURANCE CODE**  
**Chapter 27: THE INSURANCE CONTRACT**

**§2436-A. UNFAIR CLAIMS SETTLEMENT PRACTICES**

**1. Civil actions.** A person injured by any of the following actions taken by that person's own insurer may bring a civil action and recover damages, together with costs and disbursements, reasonable attorney's fees and interest on damages at the rate of 1 1/2% per month:

- A. Knowingly misrepresenting to an insured pertinent facts or policy provisions relating to coverage at issue; [1997, c. 621, §1 (RPR).]
- B. Failing to acknowledge and review claims, which may include payment or denial of a claim, within a reasonable time following receipt of written notice by the insurer of a claim by an insured arising under a policy; [1997, c. 621, §1 (RPR).]
- C. Threatening to appeal from an arbitration award in favor of an insured for the sole purpose of compelling the insured to accept a settlement less than the arbitration award; [1997, c. 621, §1 (RPR).]
- D. Failing to affirm or deny coverage, reserving any appropriate defenses, within a reasonable time after having completed its investigation related to a claim; or [1997, c. 621, §1 (RPR).]
- E. Without just cause, failing to effectuate prompt, fair and equitable settlement of claims submitted in which liability has become reasonably clear. [1997, c. 621, §1 (NEW).]

[ 1997, c. 621, §1 (RPR) .]

**2. Without just cause.** For the purposes of this section, an insurer acts without just cause if it refuses to settle claims without a reasonable basis to contest liability, the amount of any damages or the extent of any injuries claimed.

[ 1997, c. 621, §1 (RPR) .]

**3. No limitation on other cause of action.** Nothing in this section prohibits any other claim or cause of action a person has against an insurer.

[ 1997, c. 621, §1 (NEW) .]

**4. Application.** This section does not apply to workers' compensation claims.

[ 1997, c. 621, §1 (NEW) .]

**SECTION HISTORY**

1987, c. 291, §2 (NEW). 1997, c. 621, §1 (RPR).

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